

**CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE**  
**18 DECEMBER 2015**

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held in the Council Chamber, County Hall, Mold on Friday, 18 December 2015

**PRESENT:**     **Councillor Clive Carver (Chair)**

Councillors: Andy Dunbobbin, Richard Jones, David Roney, Nigel Steele-Mortimer and Arnold Woolley

**ALSO PRESENT (as all Members had been invited to attend)**

Councillors: Marion Bateman, Chris Bithell, Derek Butler, Ian Dunbar, Alison Halford, David Healey, Christine Jones, Kevin Jones, Mike Lowe, Dave Mackie, Mike Peers, Gareth Roberts and Paul Shotton

Education and Youth Overview & Scrutiny Committee Co-optee: Mr David Hytch

**SUBSTITUTIONS:** Councillors: Haydn Bateman for Marion Bateman and Nancy Matthews for Robin Guest

**APOLOGIES:** Councillors Carol Ellis, Richard Lloyd and Billy Mullin. Rebecca Stark.

**ALSO PRESENT:** Councillors: Chris Bithell, Derek Butler, Ian Dunbar, Alison Halford, David Healey, Christine Jones, Kevin Jones, Mike Lowe, Dave Mackie, Mike Peers, Gareth Roberts, Aaron Shotton, Paul Shotton and David Hytch

**CONTRIBUTORS:**

Councillor Aaron Shotton, Leader and Cabinet Member for Finance, Chief Executive, Chief Officer (Planning and Environment), Chief Officer (Organisational Change 1), Chief Officer (Organisational Change 2), Chief Officer (Streetscene and Transportation), Chief Officer (Governance), Corporate Finance Manager, Technical Finance Manager, and Policy, Performance & Partnerships Manager

**IN ATTENDANCE:**

Member Engagement Manager and Committee Officer

**66.     DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)**

No declarations of interest were made.

**67.     COUNCIL FUND REVENUE BUDGET 2016/17**

The Chair welcomed Members and the contributors to the meeting.

The Chief Executive referred to the budget consultation process to date and the opportunity to review feedback in relation to the specific budget proposals by Portfolio for the Council Fund 2016/17 from the individual scrutiny meetings held between 7 and 18 December 2015, and to review general observations on the budget process and the information available.

## Local Government Provisional Settlement 2016/17

The Chief Executive and Corporate Finance Manager gave a brief presentation on the Settlement which covered the following areas:-

- Settlement context
- Settlement headlines
- Flintshire's position in the Settlement
- known impacts for Flintshire
- ongoing local budget work
- ongoing national budget work
- timescale for phasing the budget

### Overview of First Phase of the Budget process

The Chief Executive and Corporate Finance Manager then gave a presentation on the first phase of the budget process. The Chief Executive advised that the purpose of the meeting was to receive feedback on the first phase proposals for the 2016/17 Council Fund Revenue Budget for services presented throughout December, to provide commentary to the Cabinet, and to note the implications of the Settlement and advise on the budget setting process.

The Chief Officer (Planning and Environment) and Chief Officer (Organisational Change 1) each gave a detailed presentation on the budget proposals within their respective portfolios, which had been challenged through the Overview & Scrutiny process.

The main points of the presentation were as follows:

- general points on process
- calculating the RSG change
- reassessing the Council case
- use of consultants
- specific portfolio feedback (Environment, Organisational Change, Social Care & Health, Education & Youth, Community & Enterprise)
- budget closure strategy
- National budget timetable
- timescale for phasing the budget

The Chair thanked the Chief Executive and Officers for their presentations and the verbal updates which had been given to Members.

**The comments and questions which were raised by Members of the Committee on the presentations, together with the responses given, are detailed in Appendix 1 (attached).**

## **RESOLVED:**

That the presentations be received and that Members' comments and the responses be noted and collated as part of the background material for the budget proposals.

### **68. DRAFT CAPITAL STRATEGY AND ASSET MANAGEMENT PLAN 2015 - 2020**

The Chief Officer (Organisational Change 2) introduced a report on the Draft Capital Strategy and Asset Management Plan 2015-2020 and explained this was a new Strategy for the Authority combining medium term plans for managing the Council's assets and its Capital Programme. He advised that the report outlined the need for the Strategy, the purpose, key aims, principles and content. He explained that member's views and approval, in principle, was sought prior to the final version being put forward to Council for approval in February 2016.

The Chief Officer provided background information and referred to the key aims and principles of the Strategy as detailed in the report and drew attention to the summary of what was included in the Capital Strategy and Asset Management Plan and the Capital Programme. He pointed out the reference to the theatre and assured the Committee that full details would be provide at the final stage of the Asset Management Plan.

The Chair invited Members to ask questions.

Councillor Richard Jones raised a number of questions concerning the draft Capital Strategy and Asset Management Plan. He referred to the retention of the Authority's offices at Ewloe by the leaseholder and asked why they was not contributing to the maintenance costs. He raised further questions around the Community Infrastructure Levy (CIL) to increase the supply of affordable homes in the County. He commented on the need to understand the benefit of industrial units and referred to small business premises and the Council's Alternative Delivery Model programme (ADM). Councillor Jones referred to page 28 of the draft Capital Strategy and Asset Management Plan and commented on the annual allocation and the cost of borrowing.

During discussion Officers responded to the questions and concerns raised by Councillor Jones. The Chief Officer explained that the Ewloe offices were leased until July 2016, following this the options for the Authority were either to dispose of the freehold or place on the market. Councillor Dave Mackie raised concerns around the condition of the office building at Ewloe and referred to the issue of vandalism. The Chief Officer advised that the leaseholder had a commitment to honour its landlord obligations and explained that a deprivation claim would be made as part of the lease termination process.

Councillor Arnold Woolley referred to the backlog of maintenance work across the Authority's property portfolio and commented that if left for too long this would impact on any future plans for disposal. He also commented on the Authority's aims to deliver an integrated programme of regeneration for Deeside and referred to the need to improve quality of housing. He referred to the issue of empty homes and expressed the view that there was room for further consideration to be given to the issue of social housing. The Chief Officer

acknowledged the points raised and agreed to contact the Housing team to seek a response.

During discussion Officers responded to the further questions and concerns raised around assessment and disposal of assets, town and rural regeneration, citing Buckley in particular, and the location of Buckley Medical Centre.

Councillor Paul Shotton referred to the potential for realising the Authority's assets and commented on the agile working policy and the impact of this on the Authority's offices in Flint. He also commented on the demolition of offices in Connah's Quay and asked what savings had been achieved as a result. The Chief Officer commented on the challenge of maintaining the Authority's 'ageing' asset base and advised that the demolition of the offices in Connah's Quay had generated an ongoing efficiency of £75k per annum.

Councillor Arnold Woolley referred to the recommendation in the report that the Draft Capital Strategy and Asset Management Plan 2015-2020 be supported, and proposed that members considered supporting the draft Strategy and Plan in principle. The proposal was duly seconded and when put to the vote was carried.

**RESOLVED:**

That the Draft Capital Strategy and Asset Management Plan 2015-2020 be supported in principle before the final version is produced.

**69. CAPITAL PROGRAMME 2016/17 - 2019/20: OVERVIEW**

The Technical Finance Manager introduced a report which put forward an overview of the 2016/17 – 2019/20 Capital Programme for member comments. She referred to the key considerations and the data provided in tables 1 to 4 of the report concerning estimated available funding 2016/17 – 2019/20, proposed allocations, proposed investment schemes, and summary capital programme.

The Chair invited Members to ask questions.

Councillor Clive Carver referred to the installation of solar panels on the Buckley landfill site and asked if this would be completed before a drop in tariff came into effect. The Chief Officer (Organisational Change 2) said the intention was that this would be done.

**RESOLVED:**

- (a) That the existing proposal of allocating capital receipts to fund capital schemes generally only when the receipts have been actually received be supported;
- (b) That the allocations in Table 2 for the Statutory/Regulatory and Retained Assets sections of the Capital Programme 2016/17 – 2019/20 be supported;

- (c) That the schemes included in Table 3 for the Investment section of the Capital Programme 2016/17 – 2019/20 be supported; and
- (d) That the remainder of the report be endorsed.

**70. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE**

There were no members of the public or the press in attendance.

(The meeting started at 2.00 pm and ended at 4.35 pm)

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**Chair**

## APPENDIX 1

### 2016/17 Budget Consultation

#### Corporate Resources Overview & Scrutiny Committee – Friday 18<sup>th</sup> December, 2015 (pm) (All Member session)

<b>Member Comment/Question</b>	<b>Response</b>
On the budget settlement: why is Flintshire County Council 19 <sup>th</sup> out of 22 Local Authorities?	The per capita payment is based on factors such as deprivation, which is why the Valleys authorities are the highest. As one of the more affluent counties, FCC has always been towards the bottom. This has been reflected in the council's recent lobbying. Despite our funding allocation being low, we are a high performing authority.
What is the impact of the 6.4% reduction in the new single Environment Grant?	A reduction was expected and the Cabinet member and the Chief officer are looking at ways to address the loss of grant: it will mean a need to review ways of working. The majority of the Single Environment Grant is waste related. We also need to be aware that Natural Resources Wales may be seeking to passport work to local authorities to deal with their own funding reduction.
Is there still a rural deprivation grant?	There isn't a specific rural deprivation grant. Some rural authorities tend to get more grant because of their deprivation level.
The slide on the use of consultants provides details but no figures. Could these be provided?	A report will be made to the Audit Committee. The Chief Executive explained that the max. spend on consultants as a result of the Change programme had been £150k (one consultant on £30K, one on £20k and 2 on £50k in Streetscene & Transportation and Social Services. Whilst 'risk and reward' is preferred to fee payment, the limited scale meant that the better risk and reward consultees, who seek high benefits contracts tend not to be available to us.
Will the information provided in the fact sheets confirm that decisions made this year will have no effect on future years?	Agreed.
Will 'question and answer' sheets be provided after the budget meetings, as	Yes.

previously?	
Further details about the cost savings for Connah's Quay Swimming Pool – could we have details in writing?	A combination of reduced costs for lifeguard cover (the clubs will provide their own) reduced buildings costs- charities can make a claim for reduced NDR and increased usage. An analysis can be provided.
How much of the £574K shown for Organisational Change is included within the budget plan for 2016/17. There is concern that some of the projects shown won't be ready in the next financial year.	We have only provided figures for those projects where there is a clear process and a degree of certainty. Other CATs are ongoing but have not been afforded the same degree of prioritisation. It is essential that we deliver on the core projects. Others will offer an additional efficiency.
There is concern that the approach being taken towards the budget is optimistic. Local communities may not want to pursue community asset transfers	The budget has been approached assuming a certain level of savings. If some savings are not achieved, other savings will need to be made to reduce overall costs. If we do not remain positive about CAT, then our communities won't be.
Given that the settlement is better than we expected, do we still need to take this approach to the budget?	Yes. We should not become complacent that the settlement is better than we had feared.
We need to simplify the Community Asset Transfer (CAT) process.	Acknowledged.
Could the reduction in managers within ICT be replicated across the authority?	We are moving to a structure based on managers having larger management portfolios. The ICT structure had been predicated on a significant degree of collaboration and shared service provision. As this has not happened, a different structure became necessary.
Is the staffing level in Children's services sufficient to meet statutory provision?	Yes.
On CAT, FLVC are not acknowledging or responding to correspondence.	FLVC are acting as our agents for CAT. If they are not responding, we need to know so that we can pursue this.
Will the calculations behind the final proposals be made available?	They will be provided in the fact sheets for the next budget round in January.

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